



Pickle Card Dispensing Device Information Guide and Application

This guide has been developed to provide a basic overview of the laws and regulations which govern pickle card dispensing devices. This guide should not be used as a substitute for the Nebraska Pickle Card Lottery Act and the administrative regulations adopted to supplement the act. Important rules of play for conducting a lottery by the sale of pickle cards are contained in the Act and administrative regulations, and should be thoroughly reviewed by any nonprofit organization or business who desires to participate in pickle card sales.

Attached is a Nebraska Registration and Report of Pickle Card Dispensing Devices, Form 50F, which must be completed and submitted to the Charitable Gaming Division of the Nebraska Department of Revenue in order to obtain registration decals for coin-operated and currency-operated pickle card dispensing devices in use at your location. These devices must be registered with the Department each year prior to being used to dispense individual pickle cards. The annual registration fee is \$50 per dispensing device.

Responsibility for Registration of Dispensing Devices

The responsibility for registration of a pickle card dispensing device is based upon where the device is being used. It is the responsibility of a business licensed as a pickle card operator to prepare the Form 50F and pay the required fee if the pickle card dispensing device is used at the pickle card operator's location, regardless of whether the device is owned or leased by the pickle card operator. If a pickle card operator is renting, leasing or purchasing the pickle card dispensing device from a licensed organization, a copy of the written rental, lease or sales agreement between the licensed organization and the pickle card operator must accompany the Form 50F. **The \$50 registration fee may not be paid on behalf of a licensed pickle card operator by a licensed organization, manufacturer, distributor, or any other person.**

It is the responsibility of a licensed organization to prepare the Form 50F and pay the required fee if the pickle card dispensing device is used at the licensed organization's designated premises or bingo location.

Registration Decals

Each pickle card dispensing device in use must bear a current registration decal issued by the Department. The decal must be conspicuously and permanently affixed to the device and may not be affixed by tape or any other means. **The backing on each decal must be removed in order to permanently affix the decal to the pickle card dispensing device.** Decals are **not** transferable. Any person who places a pickle card dispensing device in operation in Nebraska without the required decal conspicuously and permanently affixed to the

device, is subject to an administrative penalty of \$30 for each violation and the device may be sealed or seized by the Department.

Relocation of Dispensing Device

If a dispensing device is moved from one pickle card operator location to another location with different ownership, the device must be re-registered with the Department by filing a new Form 50F and submitting the \$50 registration fee. If a dispensing device is moved from one pickle card operator location to another pickle card operator location with the same ownership, the relocation of the device must be reported to the Department by filing a new Form 50F. The \$50 registration fee would not apply under these circumstances. If a business licensed as a pickle card operator changes ownership and the new ownership desires to continue using a dispensing device previously registered by the former owner, the device must be re-registered with the Department by filing a new Form 50F and a copy of the new written rental or lease agreement with the licensed organization, if applicable. The \$50 registration fee would not apply under these circumstances.

Replacement Dispensing Devices

If a pickle card dispensing device is inoperable and cannot be repaired, any permanent replacement device placed into use must be registered with the Department. For each permanent replacement device, the \$50 registration fee is required unless there are extenuating circumstances which may warrant waiver of the registration fee by the Department. Remember, registration decals are not transferable and cannot be removed from an inoperable device and affixed to a replacement device.

If a pickle card dispensing device is inoperable and will be **temporarily** out-of-service, a **temporary replacement device** may be used for up to 30 days or until the original device has been repaired and returned to use, whichever occurs first. Under this circumstance, the \$50 registration fee will not be required for the temporary replacement device. The licensed organization or pickle card operator that is using a replacement device on a temporary basis must notify the Department in writing of the following: (1) The name and address of the licensed organization or pickle card operator involved;

(2) The state identification number of the licensed pickle card operator or licensed organization involved; (3) A detailed description of the temporary replacement device including serial number, if applicable; (4) The number of the current registration decal on the device that is temporarily out-of-service; and (5) The date the temporary replacement device was placed into service. Such notification must be made within five working days of the date the temporary replacement device is placed into service.

Purchase, Lease or Rental of Dispensing Devices

A pickle card operator selling individual pickle cards through a coin or currency-operated pickle card dispensing device must purchase, lease, or rent its own equipment. If a dispensing device is obtained from a licensed organization or licensed distributor of pickle cards, it must be purchased, leased, or rented at a rate not less than fair market value. A licensed organization or licensed distributor may not provide the dispensing device to a pickle card operator free of charge or at a rate less than fair market value.

All payments for the purchase, lease, or rental of a pickle card dispensing device by a pickle card operator from a licensed organization must be made by check drawn on the business checking account of the pickle card operator or a personal checking account of an owner, officer, or member of the pickle card operator. Payments must be made on or before the placement of the device and on or before the first day of the lease or rental period. The extension of credit by a licensed organization to a pickle card operator for the purchase, lease, or rental of a pickle card dispensing device is prohibited.

To determine a fair market value monthly lease or rental rate for the initial placement of a dispensing device by a licensed organization at the location of a pickle card operator, divide the licensed organization's cost of the device by 36. The licensed organization may not reduce the rental or lease rate of the device at the location of a pickle card operator within three years of the date the device is first placed in service. If the dispensing device is moved to the location of another pickle card operator, the monthly lease or rental rate must remain the same. Assistance regarding the determination of fair market value may be obtained from the Department.

Service, Repair, and Maintenance of Dispensing Devices

A Class II lottery by pickle card licensee is allowed to perform certain services for a pickle card operator selling its pickle cards through a coin- or currency-operated dispensing device. The provision of these additional services to a pickle card operator is optional. The following services may be provided:

- ✓ Open dispensing devices, remove the money, and count the gross receipts in the device for deposit.
- ✓ Prepare the bank deposit for the pickle card operator.

- ✓ Make the bank deposit for the pickle card operator.
- ✓ Account for and reconcile the pickle cards in the dispensing device.
- ✓ Record the meter readings of the dispensing device.
- ✓ Reconcile the prizes paid from the pickle card operator's cash register to the actual winning pickle cards retained by the pickle card operator.

Only a licensed sales agent is allowed to perform these additional services. A licensed organization may NOT charge a pickle card operator for these services nor may a pickle card operator voluntarily pay the licensed organization or a sales agent for these services. A sales agent is still limited to a maximum commission of four percent of the definite profit. Reimbursement to a sales agent for reasonable and necessary expenses incurred in the performance of these services would be permissible to the extent that the licensed organization does not exceed the overall eight percent of definite profit limitation on expenses. A sales agent must maintain detailed records of his or her travel and related expenses. Actual reimbursement is subject to approval of the licensed organization.

If a licensed organization is leasing or renting a pickle card dispensing device to a pickle card operator which sells the licensed organization's pickle cards, it is permissible for the licensed organization to service and repair the device. All costs experienced by the licensed organization, if not reimbursed by the pickle card operator, are considered expenses of operating the lottery by sale of pickle card and must be accounted for in the eight percent of definite profit limitation on expenses.

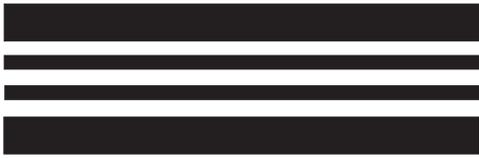
If a pickle card operator owns a dispensing device, it is permissible for a licensed organization whose cards are sold through the device to service and repair the device, provided a written agreement is executed between the licensed organization and the pickle card operator setting forth all terms and conditions under which the service and repairs will be provided. The agreement must set forth all costs associated with the service and repairs and such costs must not be less than fair market value. All agreements for the service and repair of pickle card dispensing devices are subject to review and approval by the Department.

Age Restrictions

An individual must be at least 18 years of age to play or participate in a lottery by the sale of pickle cards. Pickle card dispensing devices should be placed so that illegal access by those under 18 can be monitored. A person who knowingly permits an individual under 18 years of age to play or participate in a lottery by the sale of pickle cards is subject to criminal prosecution or possible administrative sanctions, including an administrative fine and/or license suspension, cancellation, or revocation.

For More Information

If you have any questions regarding pickle card dispensing devices, please contact the Charitable Gaming Division of the Nebraska Department of Revenue, 301 Centennial Mall South, P.O. Box 94855, Lincoln, NE 68509-4855, telephone (402) 471-5937 or toll free (877) 564-1315. Visit our Web site at www.revenue.state.ne.us/gaming.



Nebraska Registration and Report

of Pickle Card Dispensing Devices

- Include \$50 fee per device
- Read instructions on reverse side

FORM 50F

PLEASE DO NOT WRITE IN THIS SPACE

Nebraska Identification Number	Federal Employer Identification or Social Security Number	County of Business Location in Nebraska
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NAME AND LOCATION ADDRESS		NAME AND MAILING ADDRESS		
Name		Name		
Trade Name of Business (If different than above)		Street or Other Mailing Address		
Street Address		City	State	Zip Code
City	State	Zip Code		

Type of Pickle Card License Held <input type="checkbox"/> Operator <input type="checkbox"/> Class I <input type="checkbox"/> Class II	Type of Application <input type="checkbox"/> New <input type="checkbox"/> Renewal <input type="checkbox"/> Transfer <input type="checkbox"/> Replacement	FOR DEPT. OF REVENUE USE ONLY <input type="checkbox"/> Penalty
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\$50 Fee Required for Each Device Registered

• For each pickle card dispensing device to be added or renewed, complete the following:
• If any of the devices being registered are rented or leased/purchased, a copy of the rent/lease agreement must be provided

Manufacturer (See instructions)	Make/Model	Serial Number	Decal Number Issued
Description <input type="checkbox"/> Stamp Machine <input type="checkbox"/> Multiple Column Dispensing Device <input type="checkbox"/> Other _____			
Ownership <input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Leased/Purchased	If Rented or Leased, Name of Lessor		Nebraska Identification Number of Lessor
Lease Period Beginning Date ____/____/____ Ending Date ____/____/____ (Attach a copy of your lease agreement unless previously filed with the Department.)			Rent \$ _____ per _____

Manufacturer (See instructions)	Make/Model	Serial Number	Decal Number Issued
Description <input type="checkbox"/> Stamp Machine <input type="checkbox"/> Multiple Column Dispensing Device <input type="checkbox"/> Other _____			
Ownership <input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Leased/Purchased	If Rented or Leased, Name of Lessor		Nebraska Identification Number of Lessor
Lease Period Beginning Date ____/____/____ Ending Date ____/____/____ (Attach a copy of your lease agreement unless previously filed with the Department.)			Rent \$ _____ per _____

Manufacturer (See instructions)	Make/Model	Serial Number	Decal Number Issued
Description <input type="checkbox"/> Stamp Machine <input type="checkbox"/> Multiple Column Dispensing Device <input type="checkbox"/> Other _____			
Ownership <input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Leased/Purchased	If Rented or Leased, Name of Lessor		Nebraska Identification Number of Lessor
Lease Period Beginning Date ____/____/____ Ending Date ____/____/____ (Attach a copy of your lease agreement unless previously filed with the Department.)			Rent \$ _____ per _____

1	Number of pickle card dispensing devices to be registered	1
2	Registration fee (line 1 multiplied by \$50)	\$ _____
3	Number of pickle card dispensing devices not properly registered (For Dept. of Revenue Use Only)	3
4	Penalty (line 3 multiplied by \$30) (For Dept. of Revenue Use Only)	\$ _____
5	Total amount due (line 2 plus line 4)	\$ _____

Under penalties of law, I declare that I have examined this report, and to the best of my knowledge and belief, it is correct and complete.

sign here

Authorized Signature (see instructions) _____ Title _____ Date _____ () _____ Daytime Telephone Number _____

FOR DEPARTMENT OF REVENUE USE ONLY

sign here

Signature of Department of Revenue Representative _____ Title _____ Date _____

Mail the original application and the total amount due to:

NEBRASKA DEPARTMENT OF REVENUE, CHARITABLE GAMING DIVISION, P.O. BOX 94855, LINCOLN, NE 68509-4855

Please make a copy for your records.

INSTRUCTIONS

WHO MUST FILE. All pickle card operators and organizations licensed to conduct a lottery by the sale of pickle cards who use coin- or currency-operated pickle card dispensing devices must file the Nebraska Registration and Report of Pickle Card Dispensing Devices, Form 50F. A registration fee of \$50 must be paid for each device to be used at the pickle card operator's location or at the licensed organization's designated premises and/or bingo location, unless the device is a temporary replacement device. It is the responsibility of the pickle card operator to file Form 50F and pay the required fee if the pickle card dispensing device is to be used at the pickle card operator's location, even if the device is not owned by the pickle card operator. The licensed organization must file Form 50F and pay the required fee if the pickle card dispensing device is to be used at the organization's designated premises or bingo location. Checks written to the Nebraska Department of Revenue may be presented electronically. If a dispensing device is moved from one pickle card operator location to another location with different ownership, the device must be re-registered with the Department by filing a new Form 50F and submitting the \$50 registration fee. If a dispensing device is moved from one pickle card operator location to another pickle card operator location with the same ownership, the relocation of the device must be reported to the Department by filing a new Form 50F. The \$50 registration fee would not apply under these circumstances. If a business licensed as a pickle card operator changes ownership and the new ownership desires to continue using a dispensing device previously registered by the former owner, the device must be re-registered with the Department by filing a new Form 50F and a copy of the new written rental or lease agreement with the licensed organization, if applicable. The \$50 registration fee would not apply under these circumstances.

WHEN TO FILE. A Form 50F must be on file with the Department and a current registration decal affixed to the device before a coin- or currency-operated pickle card dispensing device may be placed in use for the sale of individual pickle cards.

Registration decals expire on December 31 of each year, regardless of the date of issuance, and must be renewed on or before January 1 if the pickle card dispensing device is to continue to be used for the sale of individual pickle cards. Registration renewals must be submitted by November 15 of each year.

TEMPORARY REPLACEMENT DEVICE. If a pickle card dispensing device breaks down and will be temporarily out of service, a temporary replacement device may be placed in use while the device is being repaired. A temporary replacement device may not be used for more than 30 days. A licensed organization or pickle card operator must notify the Department in writing of the following:

- ✓ The name, address, and state identification number of the licensed organization or pickle card operator using the temporary replacement device;
- ✓ A detailed description of the replacement device including serial number, if applicable;
- ✓ The number of the current registration decal on the device that is temporarily out-of-service; and
- ✓ The date the temporary replacement device was placed into service.

Notification must be made within five working days of the date the temporary replacement device was placed into service. The \$50 registration fee is not required for a temporary replacement device.

REGISTRATION DECAL. Every pickle card operator or licensed organization must conspicuously and permanently affix the registration decal to each pickle card dispensing device in use at its location. The decal must be conspicuously and permanently affixed to the device and may not be affixed by tape or any other means. The backing on the decal must be removed in order to permanently affix the decal to the pickle card dispensing device. Any person who has placed a pickle card dispensing device (other than a temporary replacement device) in operation in Nebraska without the required decal conspicuously and permanently affixed to the device is subject to an administrative penalty of \$30 for each violation and the device may be sealed or seized by the Department.

SPECIFIC INSTRUCTIONS

NAME AND LOCATION ADDRESS. Enter the name, trade name (if applicable), and location address of your business or organization as it appears on the pickle card license issued to you by the Department.

NAME AND MAILING ADDRESS. Enter the name and mailing address of your business or organization. This should be the same as it appears on your pickle card license, unless you wish to change the mailing address on file with the Department for your lottery by the sale of pickle card activities.

For each pickle card dispensing device to be registered, the following information must be provided.

- **Manufacturer.** Enter the name of the device manufacturer.
- **Make/Model.** Enter the make or model number.
- **Serial Number.** Enter the serial number of the device. If the device does not have a serial number or it is not readily identifiable, enter "NA". The serial number oftentimes is located inside the device near the coin or bill acceptor.
- **Description.** Check the box which best describes the device in use at your location. Choices available include:
 - ✓ **Stamp machine** - A device which dispenses single tab pickle cards (e.g. postage stamp machine).
 - ✓ **Multiple column dispensing device** - A device which dispenses multiple tab pickle cards; selection may be made from one of several columns.
 - ✓ **Other** - If the device is other than a stamp machine or a multiple column dispensing device, check Other and provide a brief description including capacity.
- **Ownership.** Indicate whether the device is owned, rented, or leased with an option to purchase. If rented or leased with an option to purchase, indicate the name and Nebraska Identification Number of the lessor of the device and the amount of rent. Attach a copy of the lease/purchase or rental agreement.

LINE 1. Enter the number of pickle card dispensing devices to be registered.

LINE 2. Enter the registration fee to be submitted (line 1 multiplied by \$50).

AUTHORIZED SIGNATURE. Form 50F must be signed by an owner, partner, member, or officer in the case of a pickle card operator or by an organization officer or utilization of funds member in the case of a licensed organization, or by a person authorized by an attached power of attorney.

If you have questions, contact the Nebraska Department of Revenue, Charitable Gaming Division, telephone (402) 471-5937 or toll free (877) 564-1315.